



FAQs About EFAs: The Basics

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In 2021, New Hampshire created Education Freedom Accounts (EFAs), a new way of providing families with access to a publicly funded education. In addition to assigned public schools, chartered public schools, and tax credit scholarships, EFAs offer students the option of purchasing an education from a variety of state-approved vendors.

EFAs are exclusively for New Hampshire residents who are eligible to attend a public school. To keep the program manageable, lawmakers initially limited eligibility to families with incomes at or below 300% of the federal poverty level. That was later lifted to 350%. This year, the governor and both chambers of the Legislature have proposed expanding EFA eligibility to include most (governor and Senate) or all (House) K-12 students in the state.

This brief answers a few of the most basic frequently asked questions (FAQs) about EFAs.

1. Is an EFA a voucher?

No. A voucher is a payment from the government directly to an education provider. With an EFA, the state approves a list of providers, but does not pay the provider directly. Each student's state adequate education grant amount is deposited in an account managed by a state-approved vendor, in this case the Children's Scholarship Fund NH. When a parent chooses a provider from the approved list, the parent submits an invoice to the Children's Scholarship Fund for payment. The payment can be for tuition or tutoring services, or for individual educational expenses allowable by law under RSA 194-F:2. The payment is made from the Children's Scholarship Fund to the vendor. Every payment is scrutinized for compliance with state rules.

2. What is the purpose of EFAs?

New Hampshire has long recognized that not every child thrives in his or her assigned public school. Legislators have created alternative pathways, including chartered public schools and tax credit scholarships, to give students options. Education Freedom Accounts offer the most comprehensive alternative pathway. They allow students

the freedom to choose from among numerous educational options, including public and private schools, community colleges, tutors and home schooling.



The purpose of EFAs is to match students to the education that works best for them by empowering their parents to shop for that education among a list of approved providers. By giving families control over their state education dollars, the EFA program also will introduce competitive effects into public education, which has been shown in numerous studies to improve outcomes for students who remain in district public schools.

3. Aren't EFAs for lower-income families?

EFAs were initially intended to be available to all, but an income cap was added as a compromise both to keep initial state costs down and to provide for a successful rollout of the program. Public education is not a means-tested anti-poverty program. No public school denies access to middle-or high-income families. Nor are state adequate education grants restricted by income. By design, any New Hampshire K-12 student, regardless of income, has access to state education funding by enrolling in a public school. Removing the income cap for EFAs simply aligns this education funding pathway with the eligibility criteria for district and chartered public schools.

4. Would EFAs defund public schools?

Opponents of school choice have long predicted that giving parents the option to leave their assigned public school would trigger a mass exodus that would collapse school budgets. That low opinion of district public



schools is not shared by most parents. “As yet, the growing trend of giving parents public funds for private education hasn’t decimated school budgets,” Education Week reported last year. “Even in states where private school choice is open to all students, the overwhelming majority of K-12 students still attend public school.” A New Hampshire state representative opposed to EFAs acknowledged in legislative testimony this year that “very, very, very, very few students

are actually leaving their public school district to take a voucher.” Data compiled by EdChoice show that at the start of 2025 only 2.2% of students nationwide participated in a school choice program. In Florida, which has the highest school choice participation rate, 82.5% of students have enrolled in a public school of some kind, whether a district, magnet or charter school. In Arizona, 86.3% of students have chosen public schools. Just as public schools aren’t a good fit for every child, neither are EFAs. The EFA program is designed to be an alternative for students who need it, not to replace public schools.

5. Would EFAs leave public school students behind?



Over several decades of school choice research, one of the strongest findings is that students who stay in public schools after the creation of a choice program demonstrate

better outcomes. Multiple studies have found that district public schools respond positively to competition. (See the 123s of School Choice.) As a result, their students tend to exhibit improvements in test scores and other outcomes, such as college attendance and graduation. Using market competition to improve all educational options, including traditional public schools, is one of the primary purposes of school choice programs like EFAs.

6. What accountability does the EFA program have?

EFA's have multiple layers of accountability. First is accountability to parents. District public schools are heavily regulated and are answerable to local school boards and the state. The tradeoff is that parents then have less direct input into the curricula and policies of their child's assigned public school. EFA's empower parents to tailor their children's education to each child's specific needs. If a provider fails to live up to expectations, parents can take their education dollars elsewhere.

Second, the EFA program is administered by a vendor, currently the Children's Scholarship Fund NH. That vendor won a competitive bid and the contract was approved by the Executive Council. By law, the vendor is subject to annual financial audits and must report any suspected fraud to the state. EFA funds may be spent only on authorized educational expenses. To ensure compliance with state laws and rules, the vendor is subject to compliance and performance auditing by the State Education Department. Though the vendor is allowed under state law to spend 10% of EFA funds on administration, it spends only 7.95%, which is lower than the state average for public school districts. National school choice organization EdChoice has twice ranked the EFA program as having the most effective implementation of any school choice program in the nation.

Third, state law strictly limits EFA purchases. Parents may purchase only approved educational products from approved providers. The Children's Scholarship Fund NH checks all purchases to ensure compliance. If non-compliant purchases are found, reimbursement is pursued.